

State of South Dakota

EIGHTIETH SESSION
LEGISLATIVE ASSEMBLY, 2005

277L0440

SENATE COMMERCE COMMITTEE ENGROSSED NO.

SB 154 - 02/03/2005

This bill has been extensively amended (hoghoused) and may no longer be consistent with the original intention of the sponsor.

Introduced by: Senators Kelly, Broderick, Dempster, Gant, Hansen (Tom), and Napoli and
Representatives Weems, Cutler, Dykstra, Krebs, and Kroger

1 FOR AN ACT ENTITLED, An Act to exempt certain entities from the lending license fees and
2 surety bond requirements.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

4 Section 1. That § 54-4-40 be amended to read as follows:

5 54-4-40. Any person who engages in the business of lending money shall apply for a license
6 as prescribed by §§ 54-4-36 to 54-4-63, inclusive. The applicant shall apply for a license under
7 oath on forms supplied by the division. The application shall contain the name of the applicant's
8 business, proof of surety bond, address of the business, and other information as required by the
9 director by rule or order. The applicant shall pay an original license fee as set by rules of the
10 commission promulgated pursuant to chapter 1-26 not to exceed one thousand dollars. If the
11 application of an existing licensee is for an additional location, the application need only include
12 the location and identity of the location manager, plus any changes from the existing license,
13 or such other information the director may consider necessary. Nonprofit corporations formed
14 pursuant to chapter 47-22 and lending entities of the State of South Dakota and any of its



1 political subdivisions are subject to this chapter but are exempt from initial license fees, renewal
2 fees, and surety bond requirements under this chapter.

3 Section 2. That § 54-14-2 be amended to read as follows:

4 54-14-2. Any person who engages in the business of a mortgage banker or mortgage broker
5 shall obtain an original license to engage in such business under the terms and conditions of this
6 chapter, shall apply therefor under oath, on forms prescribed by the division, and shall pay an
7 original, nonrefundable license fee as set by rules of the commission promulgated pursuant to
8 chapter 1-26. The fee for a mortgage banker license may not exceed one thousand dollars and
9 the fee for a mortgage broker license may not exceed five hundred dollars. If the application is
10 approved, a license shall be issued.

11 To renew a license, the licensee shall file for renewal by June fifteenth. Licenses shall be
12 renewed on July first. The commission shall establish a renewal license fee by rules
13 promulgated pursuant to chapter 1-26. The renewal fee for a mortgage banker license may not
14 exceed one thousand dollars and the renewal fee for a mortgage broker license may not exceed
15 five hundred dollars. Nonprofit corporations formed pursuant to chapter 47-22 and lending
16 entities of the State of South Dakota and any of its political subdivisions are subject to this
17 chapter but are exempt from initial license fees, renewal fees, and surety bond requirements
18 under this chapter.